

FOR PSA MEMBERS: **SOUTH AFRICAN REVENUE SERVICE (SARS)**

06-02-2023

Update: 2021 SARS wage dispute and High Court judgement

As previously communicated in the *Informus*, a task team was established to address the High Court judgement. A task team meeting was held from 15 to 17 January 2024. The employer reported that owing to financial constraints attributed to reduced budget allocations by National Treasury, SARS is unable to fulfil the 2.3%-salary increase directed by the High Court. SARS emphasised that without additional funding from Treasury, the implementation of the High Court judgement in full would necessitate another cost-saving measure such as the non-filling of vacant positions, non-renewal of building leases, a strict travel approval process, voluntary severance packages, and possible retrenchments.

The PSA convened several virtual meetings with members to provide feedback and discuss the options presented. Members are requested to provide a **mandate** on whether to accept or reject the revised offer or revised settlement since SARS indicated that it does not have funding to implement the judgement.

The two options are as follows:

- **Enforce the High Court judgement:** Reject SARS settlement proposals and insist on the full implementation of the High Court judgement.
- **Implement a Reduced Settlement Amount:** Accept a reduced settlement, involving a 2%-gratuity payment for outstanding amounts from 1 April 2021 to 31 March 2024, and a 1%-salary increase in employee packages. Please note that the gratuity payment will not increase pension contributions, but tax deductions will apply. Only the 1%-salary increase will impact pension contributions.

Members are advised to vote on the PSA online voting system using the following link: rb.gy/rfkmjl

The voting period will start from Tuesday, **6 February 2024**, to Monday, **12 February 2024 at 10:00**.

Employees who want to join the PSA can visit the PSA's website (www.psa.co.za), send an email to ask@psa.co.za, or contact PSA Provincial Offices.

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GENERAL MANAGER